

**Congress of the United States**  
**Washington, DC 20515**

June 18, 2018

The Honorable Doug Ducey  
Governor  
State of Arizona  
1700 West Washington  
Phoenix, AZ 85007

Dear Governor Ducey:

We are writing to you to urge you to reject partisan attacks on affordable health care and work across the aisle to protect our constituents' health insurance and develop solutions to reduce out of pocket health care costs for working families. While not perfect, the Affordable Care Act expanded access to coverage for working families, including over 400,000 Arizonans. Instead of working together to improve coverage and affordability, we are concerned that ongoing ideological attacks will depress enrollment in health insurance and raise premiums and out of pocket costs for middle class families. For instance, cuts to in-person assistance through the navigator program, outreach efforts, and threats to cost-sharing reductions needed to maintain stability in the marketplace have raised costs and harmed competition for working families across Arizona. At a time when we are beginning to make meaningful progress to reduce the uninsured rate in our state and tackle the opioid epidemic ravaging our communities, efforts to undermine access to needed coverage impedes the ability to lower costs and bolster competition.

According to a recent analysis conducted by the Urban Institute, recent executive actions and decisions including those regarding cost-sharing subsidies will increase 2018 premiums by 18.2 percent on average (in states that do not prohibit or limit short term plans), and will result in 6.4 million more people uninsured in 2019.<sup>1</sup> The analysis estimates that the state of Arizona will see an estimated 11.6 percent increase in the number of uninsured. In addition, premiums in ACA compliant plans in Arizona would increase by 20.6 percent.

While we may disagree about the best ways to improve our health care system, we believe there is consensus that any actions that result in skyrocketing premiums and raise the uninsured rate are a step backward. We know from working and hearing directly from health care providers that these efforts will cause serious destabilization and impact the care that our constituents are able to access.

---

<sup>1</sup> Linda J. Blumberg et. al, *The Potential Impact of Short-Term Limited-Duration Policies on Insurance Coverage, Premiums, and Federal Spending* (Feb. 2018) ([www.urban.org/sites/default/files/publication/96781/stld\\_draft\\_0226\\_finalized\\_0.pdf](http://www.urban.org/sites/default/files/publication/96781/stld_draft_0226_finalized_0.pdf)).

We believe states can and must step up to ensure families are protected from crushing health care costs, by ensuring access to affordable insurance that covers needed benefits.

There are a number of actions at the state level that would help increase coverage and improve the affordability of care for families in our state. We urge you to work to implement some or all of these options to help ensure stability and lower costs for our residents. These potential options are listed below:

*Boost coverage (and lower costs) by increasing outreach and enrollment*

States can increase efforts to connect consumers to coverage and increase awareness of the insurance marketplaces. Awareness of the marketplaces and available financial assistance remain very low, and younger and healthier consumers are more likely to remain uninsured without significant outreach. Additionally, communities in historically neglected areas including rural and tribal areas require targeted outreach efforts and coordination through community partnerships to bring awareness about coverage options. Investments in outreach and enrollment help ensure a diverse risk pool, bringing premiums down for consumers. States interested in conducting outreach could ask that federal funds currently not being used for their intended purposes be sent directly to the states for their own outreach efforts.

*Strengthen state oversight of the individual market to increase competition, lower cost and choice for families*

State regulators in all states can work with plans to ensure that every rating area has multiple plans available and increase competition to reduce costs and increase choice. Demonstrating this commitment and increasing communication with issuers at the state level has the potential to improve network adequacy and choice, especially in rural communities across the state.

*Ensure insurance plans provide adequate coverage*

Newly weakened consumer protections may allow for the selling of insurance plans that do not meet the basic needs by excluding certain benefits, leaving families vulnerable in times of illness. Additionally, permitting access to these meager insurance plans negatively affects the risk pool, thereby increasing premiums for middle class families. Governors and Insurance Commissioners should act pre-emptively to keep bad actors out of the insurance market.

*Protect consumers by ensuring their health plan provides essential health benefits, like mental health or prescription drugs.*

Should the executive branch move forward with proposals to allow plans to charge more for certain life-saving benefits or allow plans to exclude certain needed items from coverage altogether, States and localities should step up to demonstrate the importance of these essential health benefits and ensure access to coverage, including maternity, pediatric, and mental health care. As we continue to address opioid and substance abuse disorders, especially in rural and

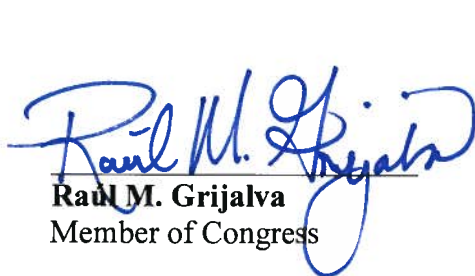
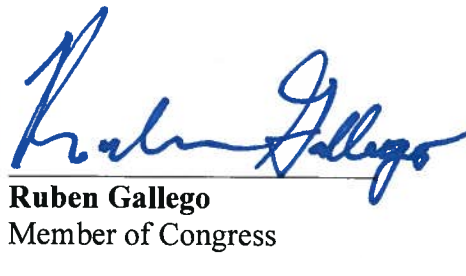

tribal communities, making sure residents can access coverage for critical services that may otherwise not be offered is vital for keeping communities healthy.

Use existing Affordable Care Act (ACA) authority to craft a reinsurance program to reduce health insurance premiums.

A number of states have sought State Innovation waivers under Section 1332 of the ACA to create reinsurance funds to stabilize the individual market. These funds protect consumers from dramatic premium increases by paying claims above a certain limit or paying for claims for certain specific high-cost conditions. Removing these claims or conditions through reinsurance allows plans to reduce premiums for other consumers.

For the sake of our constituents, we urge you utilize the authorities available within state and local agencies to help mitigate the impact of harmful actions and proposals that undermine our communities' ability to live healthy, productive lives. Protecting the health of Arizonans should be above politics. We stand ready to work with you and your administration to help make the options listed above a reality while we continue to pursue bipartisan long-term solutions to improving our health care system for all families. Thank you for your consideration.

Sincerely,

|  |   |  |
|--|---|--|
|  |  |  |
| <b>Raul M. Grijalva</b><br>Member of Congress                                      | <b>Ruben Gallego</b><br>Member of Congress  | <b>Tom O'Halleran</b><br>Member of Congress  |